THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) The negotiation with two parties for the placement of the orders for main plant and equipment are in an advanced stage. The civil and other engineering works are divided in two phases and the work relating to phase I is likely to be completed by March, 1995;

(b) The estimated project cost for Mysore is Rs. 860 crores.

(c) The initial line of production is likely to be operational within 18 months of placement of order and the entire press in 39 months.

Approval of foreign investment for various projects in Karnataka

93. SHRI JANARDHANA POJARY:

Will the Minister of FINANCE be pleased to state:

(a) what are the details of the projects in Karnataka in which foreign investment has been approved by the Central Government;

(b) what is the amount of foreign investment involved; and

(c) whether the State Government are permitted to approach directly the foreign investors to get assistance for their projects in the State?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) and (b) Subsequent to Government's New Industrial Policy of July, 1991, i.e. from August, 1991 to 30th June, 1994, 14 foreign investment proposals involving an amount of Rs. 1099 lacs., have been approved for investment in Karnataka. Investments are in the sectors of pneumatic equipment, Indian made foreign liquir, beer, readymade garments, poultry, portfolio management, trading, processing of vegetables, solar passenger transport vehicles, etc.

(c) Yes, Sir.

Recruitment of Peons by Income tax C R building N Delhi

94. SHRI SARDA MOHANTY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that in the recent recruitment of Peons in the Head Quarters Office of Income Tax, C. R. Building, New Delhi, the genuine claims of Other Backward Classes could not be protected;

(b) how many vacancies are lying vacant which are reserved for OBC; and

(c) what are the efforts made by the authorities concerned to fill up the same?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) to (c) There are thirty seven vacancies in Group 'D' (Peon) which were reserved for Other Backward Clases. Thirty four candidates have since been recruited and the local employment exchange has been requested to sponsor Other Backward Class candidates to fill up the remaining three vacant posts.

Recruitment of Sepoys in Collectorate of Central Excise and Customs. Delhi

95. SHRI SARDA MOHANTY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that in the recent recruitment of sepoys in the Collectorate of Central Excise and Customs, Delhi the genuine claims of other Backward Classes could not be protected;

(b) how many vacancies are lying vacant which are reserved for OBC; and ....

(c) what are the efforts made by the authorities concerned to fill up the same?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) to (c) Out of 13 vacancies in the grade of Sepoys to be filled up by direct recruitment in the Collectorate of Central Excise and Customs, Delhi, due percentage of reservation meant for OBC, as per rules is applicable. The Collectorate have already initiated the recruitment exercise by calling names of the candidates including those belonging to OBCs from appropriate agencies.

Raids by income tax department on the premises of firms missing vabal

96. SHRI PRAMOD MAHAJAN:
SHRI VIREN J. SHAH:

Will the Minister of FINANCE be pleased to state:

(a) how many raids were conducted by the Income Tax Department in the different metropolitan cities on the premises of the firms suspected to have misused Value Based Licences (VABAL) and avoided payment of tax; ..

(b) what is the outcome of these raids and what amount of income tax avoidance by these firms has been detected;

(c) what action has been taken to recover the avoided income tax from these firms and what penalty has been imposed on them for misuse of VABAL; and

(d) what steps have been taken/ proposed to be taken by Government to curb this misuse?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) to (c) The Income-tax Department searched 42 premises of four groups of assessees at Delhi, Bombay and Calcutta.

The searches resulted in the seizure of unaccounted assets as under:—

Cash . . .	Rs. 1,56,15,600/-
Jewellery . .	Rs. 31,43,745/-
Other Assets .	Rs. 26,27,210/-
Total .	Rs. 2,13,86,555/-

Tax evaded income totalling Rs. 5.31 core were disclosed by these assessees in course of the searches.

Necessary follow-up actions have been taken up on the basis of the seized materials. The Director General of Foreign Trade has been intimated regarding the search by the Income-tax Department for taking necessary action under the relevant provisions.

(d) The Director General of Foreign Trade has informed that in order to curb the misuse of VABAL Scheme, the following steps have been taken:—

(i) Initially Value based licences could be issued by Regional Licensing Authorities (RLAs) where input output and value addition norms were fixed and also where norms were not fixed. However, in July, '92 powers of RLAs to issue value based advance licences where norms were not fixed were withdrawn. Subsequently, in October, '92 the scheme was further tightened and value based advance licences could be issued only where input output and value addition norms were fixed.

(ii) With effect from 1.4.93 the expott obligation has been imposed